



2006 VITA/TCE

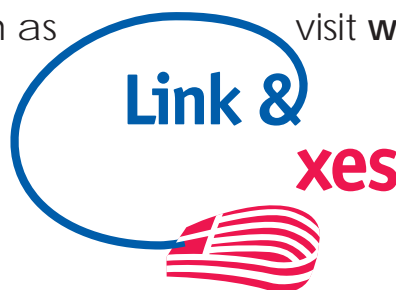
Publication 1155E

Electronic Facilitator's Kit

(for use in preparing Tax Year 2006 Returns)

Coming together to
strengthen communities
through free volunteer
tax return preparation
programs

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Department of the Treasury
Internal Revenue Service

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Publication 1155E (2006)
Catalog Number 38500V

Pending Legislation

At the time this publication went to print, there was pending legislation on tax topics contained in this publication including the expired tax benefits listed below:

Expired Tax Benefits:

- Deduction from adjusted gross income for educator expenses.
- Tuition and fees deduction.
- Deduction for state and local general sales taxes.
- District of Columbia first time homeowner credit (for homes purchased after 2005).

Tax law changes implemented after this publication may cause various forms, tables, and worksheets to change. Visit www.irs.gov for current information on tax changes. If there are changes, additional guidance will be issued in the form of a supplement.

The IRS Mission

Provide America's taxpayers
top quality service by helping
them understand and meet
their tax responsibilities and
by applying the tax law with
integrity and fairness to all.



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Confidentiality Statement:

All tax information you receive from taxpayers in your VOLUNTEER capacity is strictly confidential and should not, under any circumstances, be disclosed to unauthorized individuals and should be properly safeguarded.

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DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

WAGE AND INVESTMENT DIVISION

November 3, 2006

Welcome, Facilitators!

Looking back on the 2006 filing season, I can see that it was a year of incredible teamwork. We exceeded all expectations in the number of taxpayers helped and returns prepared, particularly in areas impacted by last year's hurricanes. Anytime I get an opportunity to say thank you to those individuals and organizations that contribute to the success of the volunteer return preparation programs, I like to say it. ***Thank you!***

As you train the 2007 volunteer cadre, the following steps should help ensure each volunteer is ready to provide top quality support and safeguard the confidentiality of the information they receive from the taxpayers they serve.

1. Demonstrate the use of the quality tools such as the intake and interview sheet, the technical reference guides and the quality review checklist. An excellent resource is Publication 4475, Interview Techniques available in DVD and VHS.
2. Use practice exercises and role plays to demonstrate "what to expect and what is expected" at the site.
3. Visit www.irs.gov on a regular basis for critical program communications. (Keyword: Community Network)
4. Encourage your students to certify on-line using "Link and Learn Taxes" at www.irs.gov (Keyword: Link and Learn Taxes). On-line certification provides immediate feedback.
5. Seek feedback from your sponsor and/or IRS relationship manager about the accuracy rate of the returns completed at your sites.

I welcome your suggestions and ideas for improving our training materials. You can send us feedback by using the evaluation materials in your kit, sending an e-mail to partner@IRS.gov, talking to your relationship manager or mailing your comments to:

Internal Revenue Service
Stop 45-WI – VITA/TCE Training
401 West Peachtree Street, NW
Atlanta, GA 30308

Thank you in advance for your hard work and dedication.

Sincerely,

Ellie Cimaglia
Director, Stakeholder Partnerships, Education and Communication

Welcome to the Tax Year 2006 Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) programs. There are five volunteer return preparation courses---Basic, Intermediate, Advanced, Military and International — presented in this guide. This information augments the Publication 678, Student Guide (see below) and provide you with the information and flexibility needed to facilitate discussions on the “whys and hows” of return preparation, both electronic and/or paper.

Breathe “life” into the course you teach by sharing your experiences and insights. As you prepare your lesson plans, we encourage you to “connect the dots” for new and returning volunteers so that each of them fully grasp the correlation between all components (tax law, intake and interview process, reference tools, and quality review) of the return preparation process.

Remember, an accurate return is one of the cornerstones of the VITA/TCE program. Your ability to convey the importance of preparing an accurate return contributes to the taxpayer’s experience and confidence in the program.

We welcome your comments for improving these materials and the VITA/TCE programs. You may follow the evaluation procedures in this kit or e-mail your comments to partner@IRS.gov.

The Resources in Your Kit

There are two VITA/TCE Facilitator Kits this year. You have the new test kit, Publication 1155-E (Electronic Facilitator’s Guide) which is for partners who prefer a slimmed down version of the traditional Publication 1155 Kit. Unlike Publication 1155, Publication 1155-E does not include specific guidance for presenting the VITA/TCE courses and/or lessons.

The electronic aspect of this kit requires interested facilitators to download the suggested notes, guide questions, comments and critical points to cover in each lesson from www.irs.gov (keyword: Partner Training Materials).

You will need to order a Publication 678 (student kit) or download the products in the kit from the Forms and Publications site on IRS.gov. Publication 4012, The Volunteer Resource Guide is not available on the Internet. You may obtain an electronic copy from your IRS relationship manager. If you do not plan to order the student kit.

The Publication 1155-E kit contains this guide and the following products:

-) Testing Materials (Form 6745, Retest and Publication 4189, Test/Retest Answer Key) for each course (explained later).
-) The evaluation form for facilitators (Form 13232) and the postage paid mailing label (Document 12107) for sending evaluations to the IRS.

The Resources in the Student Kit

As previously stated, you will need to order the student kit (Publication 678) or download the information in the kit from the IRS Internet site. The additional products available to you in the Publication 678 kit are listed below.

1. **Student Guide (Publication 678)** contains administrative guidance and tax law you should cover in your course. The technical lessons contain charts, graphics, narratives, examples, exercises and interview tips to assist volunteers in learning and applying tax law.
2. **Comprehensive Problems and Practice Exercises (Publications 678-W)** is a workbook which contains comprehensive problems and practice exercises for all five VITA/TCE courses. The problems allow the volunteers to practice completing returns using the intake and interview sheet (Form 13614) and quality review checklist (Form 8158) in both paper and electronic tax preparation settings.

Instructions for using the practice exercises and comprehensive problems are included in the publication. The comprehensive problem should be reviewed and discussed in class (at a minimum).

3. **Volunteer Resource Guide (Publication 4012)** assists volunteers in “asking the right questions” to get to an accurate and quality return. The guide contains interview questions and tax law tips along with charts, decision trees and graphics. It also provides TaxWise guidance.

) This year, Publication 4012 contains a new tabbed section for TaxWise on-line and a new exhibit for determining taxpayers’ last name.

Each volunteer should use Publication 4012 during training and at their site to assist in return preparation. Publication 4012 is not available on the Internet.

4. **Test (Form 6744)** - Volunteers may take the test in their kit or on-line using Link & Learn Taxes available at www.irs.gov (keyword: Link and Learn Taxes).
5. **Plastic Bag (Publication 1278)** may be used to carry your training materials.
6. **Student Course Evaluations (Form 13222)** should be completed by each student. Additional guidance provided later in this Publication.

VITA/TCE Courses & Content

While every class is unique, we strive for consistency in the training that is presented to volunteer return preparers. Your local IRS relationship manager is available to assist you in planning your training and providing guidance in using the components in this kit.

All five VITA/TCE courses—**Basic, Intermediate, Advanced, Military and International**—can be presented using the materials in this kit. The **Basic and Intermediate** courses are designed for students who will assist taxpayers in filing return Forms 1040EZ, 1040A and simple 1040. The **Advanced, Military and International** courses are designed for students who will assist taxpayers with the more complex VITA/TCE returns.

The courses can be presented in 16 to 40 hours depending on the student's tax law expertise and skill levels. Suggested presentation and teaching times for each course are shown in the Exhibit 2, Suggested Class Schedules - Integrated Training and Exhibit 3, Class Schedules - Traditional Training.

The content of each course is shown in Exhibit 1 on the next page. The information is summarized below:

1. The **Basic course** covers income from wages, interest and dividends and tax credits for individuals and couples.
2. The **Intermediate course** covers all the tax topics in the Basic course and additional income topics including:
 -) alimony, social security income, etc.,
 -) itemized deductions,
 -) adjustments to income and
 -) pension issues for individuals and families with no stock or sale of home considerations.
3. The **Advanced course** covers all the tax topics in the Basic and **Intermediate** including additional pension topics. Also covered are stock and sale of home issues for individuals and families.
4. The **Military course** is generally the **Advanced** course with special emphasis on tax issues impacting armed services personnel and their families. i.e., combat pay, moving expenses, etc.
5. The **International course** is generally the **Advanced** course with special emphasis on international tax law U.S. residents living outside the United States (non-military) especially those served by U.S. Embassies and Consulates.

Proof Copies of Forms & Tables

Forms, schedules and worksheets in the training materials were current as of the “draft/proof” date shown on each product. Final forms may be found at www.IRS.gov and may have supplemental changes. Be sure to compare the final forms with those in this publication and make sure you understand changes (if any) before sharing them to your students. Draft copies of the Tax and Earned Income Credit Tables are in Publication 678-W.

A set of the draft forms that were available at the time this publication went to print is also included in Publication 678-W. Make sure all of the forms your students need to complete the comprehensive problems and practical exercises for the course you're teaching are available to them.

Exhibit 1, Content and Courses

Content	Course
Highlights of Changes	All courses
Introduction and Administrative Guidelines	All courses
Lesson 1 – Getting Started—Taxpayer Identification Numbers and Exemptions	All courses
Getting Started – Military	Military
Lesson 2 – Filing Status and Filing Requirement	All courses
Filing Status – Military	Military
Filing Status – International	Military
Lesson 3 – Income	See below
Wages, Interest, Dividends, Unemployment & Gambling	Basic
Wages, Interest, Dividends, Unemployment, Gambling, State and/or Local Tax Refunds, Premature Pensions or Deferred Compensation Distribution, Alimony, Social Security Income and Schedule C-EZ	All courses (except Basic)
Income – Military	Military
Other Income – Military	Military
Foreign Income Exclusion – Military	Military
World Wide Income – International	International
Self-Employment Tax – International	International
Rental Income & Expenses – International	International
Lesson 4 – Deductions and Tax Computation	See below
Standard Deductions	Basic
Standard and Itemized Deductions	All courses (except Basic)
Tax Computation	All courses
Travel Expenses – Military	Military
Other Miscellaneous Deductions – Military	Military
Business Travel Expenses – International	International
Lesson 5 – Earned Income Credit	All courses
Lesson 6 – Child Tax Credit	All courses
Lesson 7 – Child and Dependent Care Credit	All courses
Lesson 8 – Education Credits	All courses
Lesson 9 – Miscellaneous Credits	See below
Elderly or Disabled and Qualified Retirement Savings	All courses
Residential Energy, Alternative Motor Vehicle, Qualified Electronic Vehicle, Mortgage Interest Credit and Foreign Tax Credit (Form 1116 not required)	All courses (except Basic)
Foreign Tax Credit (Form 1116 Required) – International	International
Lesson 10 – Adjustments to Income	All courses (except Basic)
Moving Expenses – Military	Military
Lesson 11 – Pensions	Advanced, Military & International (except below)
Taxable Amount Determined	All courses (except Basic)
Lesson 12 – Sale of Stock	Advanced, Military & Interntl.
Lesson 13 – Sale of Home	Advanced, Military & Interntl.
Lesson 14 – Finishing the Return	All courses
Finishing the Return – Military	Military

Teaching Methods

As you prepare to present this material, remember, it is very important that volunteers assist only with those returns, supporting schedules and forms for which they have received training and are certified. The site coordinator and/or sponsor should agree on the course that best serves the needs of the students and taxpayers.

The five VITA/TCE courses may be taught using the following delivery methods:

1.) **Integrated classroom** instruction combines lecture and discussion with completing the problems and exercises using tax preparation software training. See Exhibit 2 for suggested class schedules.
2.) **Traditional classroom** instruction is lecture and discussion with paper or manual completion of the problems and practice exercises. See Exhibit 3 for suggested class schedules.
3.) **Link & Learn Taxes (L<)** classroom instruction is lecture and discussion using the interactive e-learning application on www.irs.gov.
4.) **Self-Study** allows the student, using the student training kit (Publication 678) and/or L<, to independently complete their course with your guidance.

Facilitator Prerequisites and Classroom Set-Up

In order to successfully convey the information in this guide we recommend the following prerequisites for each facilitator:

-) Allow 2 hours of preparation time for every hour of instruction
-) Must be certified in the course being taught
-) Basic computer skills and TaxWise software knowledge (if applicable)
-) Access to the Internet and e-mail

Classroom Set-Up

Classes should be 20 students or less and each student will require a:

-) Student Kit (Publications 678, 4012, 678-W, etc.)
-) Publication 17, Your Federal Income Tax Guide for Individual (if available)
-) Individual Income Tax Forms – Series 1040/1040A/1040EZ and associated schedules and instructions (if available)
- State training materials (as appropriate)

Classes that incorporate TaxWise e-filing software will also require:

- A computer for each student
- A facilitator station with computer and projector
- Table space for documents
- Storage disks or CDs to save their work
- One assistant per 5 students (ideally)

For the most up-to-date tax products and information visit Forms and Publications and 1040 Central on www.IRS.gov.

Testing and Certification

This year the content and presentation of the test and retest (Forms 6744 and 6745) are revised. The proficiency rate also increased. Review the introductory information in the test or retest (Forms 6744 or 6745) in this kit for detailed information about the revised testing approach. You will need to discuss this information with your students prior to administering the test.

Volunteers assisting taxpayers with their return and conducting quality return reviews must pass the test that coincides with the types of returns they will prepare/review. For example, a volunteer that passes the test for the **Basic** course will only provide assistance or quality review with tax matters covered in the **Basic** course.

Volunteer certification can be accomplished using one of the three methods as follows:

- Successful completion of the IRS paper test and retest (Form 6744 and 6745)
- Successful completion of the IRS on-line test via Link and Learn Taxes
- Successful completion of a partner test (approved by the IRS)

Regardless of the testing method, volunteers should complete the test on their own. Taking the test in groups or with outside assistance could prove to be a disservice to the people they have volunteered to help.

Students can take the test using tax software (where appropriate) and may use any reference materials available to them as a volunteer to complete the test.

Student and Facilitator Evaluations

We need your help in accomplishing one of our most important goals, which is providing the right training or mix of training that empowers all VITA/TCE volunteers to deliver accurate, quality return preparation assistance.

Please encourage your students to complete the student evaluation form in their kit or online using Link & Learn Taxes. We welcome your comments on the enclosed evaluation Form 13232.

Completing the Evaluation Forms

-) Each evaluation form (student and facilitator) must contain the applicable course number and city and state information in Exhibit 4, VITA/TCE Class Numbers or Exhibit 5, M-VITA Class Numbers.
-) The forms are optically scanned.
-) Do not **fold**, **staple**, or **photocopy**.
-) Darken the circles “bubbles”
-) Do not place an “X” or check mark in the circles “bubbles”

After collecting all the evaluations and completing your own, please use a large envelope to forward the completed evaluations (Facilitator and Student) to the IRS-SPEC address using the Business Reply labels included in your kit.

NOTE: The mailing label (Document 12107) in your kit should be used to mail the evaluation forms only.

Approximate Teaching/Discussion Times At-a-Glance (In hours or fractions thereof)

Lesson/Segment	Basic	Intermediate	Advanced	Military	International
Introduction and Administrative Guidelines	1–2	1–2	1–2	1–2	1–2
Lesson 1—Getting Started	1–3	1–3	1–3	1–3	1–3
Lesson 2—Filing Status and Filing Requirements	1–3	1–3	1–3	1–3	1–3
Lesson 3—Income – Basic	1–2	1–3	1–3	1–3	1–3
Lesson 4—Deductions and Tax Computation	1–2	2–3	2–3	2–3	2–3
Lesson 5—Earned Income Credit	2–3	2–3	2–3	2–3	2–3
Lesson 6—Child Tax Credit	1	1	1	1–2	1–2
Lesson 7—Child and Dependent Care Credit	1–2	1–2	1–2	1–2	1–2
Lesson 8—Education Credits	1–2	1–2	1–2	1–2	1–2
Lesson 9—Miscellaneous Credits	1	1	1	1	1
Lesson 10—Adjustments to Income	n/a	1–2	1–2	1–2	1–2
Lesson 11—Pensions	n/a	1–3	1–3	1–3	1–3
Lesson 12—Sale of Stock	n/a	n/a	2–3	2–3	2–3
Lesson 13—Sale of Home	n/a	n/a	1	1–2	1–2
Lesson 14—Finishing the Return	1–2	1–2	1–2	1.5	1.5
Problem and Exercises (Publication 678W)	1–3	1–3	1–3	1–3	1–3

Exhibit 2–Suggested Class Schedule–Integrated Training

The schedules are designed for two to four days (based on the course for which the student would like to certify), with an additional day, as needed, for state returns, completing exercises or other training. Military students will follow the Advanced Course Schedule and complete the Military Problem and Exercises on Day 4.

Basic Course

Day 1	Topic	Suggested Teaching Times
	Welcome & Introductions	15 minutes
	Administrative	
	e-file Background	15 minutes
	Introduction to TaxWise	
	Enter Basic Comprehensive Problem A (BCP A) and input entity data	15 minutes
	Module 1	
	Lesson 1 Getting Started	45 minutes
	Open BCP A and input exemptions and dependents	15 minutes
	Break	15 minutes
	Lesson 2 Filing Status	45 minutes
	Open BCP A and input filing status	15 minutes
	Lesson 2 Filing Requirements	15 minutes
	Module 2	
	Lesson 3 Wages	30 minutes
	Open BCP A and input Forms W-2	15 minutes
	Lunch	45 minutes
	Lesson 3 Interest and Dividends	30 minutes
	Open BCP A and input interest income	15 minutes
	Lesson 3 Unemployment Compensation	15 minutes
	Open BCP A and input Form 1099-G	
	Lesson 3 Gambling Winnings	15 minutes
	Open BCP A and input Form W-2 G	
	Module 3	
	Lesson 4 Deductions & Tax Compensation	30 minutes
	Open BCP A and input Student Loan Interest	15 Minutes
	Break	15 minutes
	Module 4	
	Lesson 7 Child and Dependent Care	30 minutes
	Open BCP A and input daycare expenses	
	Lesson 8 Education Credit	30 minutes
	Open BCP A and input tuition expenses	

Basic Course

Day 2	Topic	Suggested Teaching Times
	Lesson 9 Miscellaneous Credits	30 minutes
	Open BCP A and complete F 8880	
	Basic Practice Exercise 1 - Madison	30 minutes
	Module 5	
	Lesson 6 Child Tax Credit	15 minutes
	Open BCP A and discuss the automatic calculation for CTC	15 minutes
	Lesson 5 Earned Income Credit	1 hour
	Open BCP A and complete EIC Worksheet	15 minutes
	Break	15 minutes
	Module 6	
	Lesson 14 Finishing the Return	15 minutes
	Discuss Diagnostic, Printing, Signing	
	Basic Practice Exercise 2 - Hood	30 minutes
	Basic Practice Exercise 3 - Denison	30 minutes
	Basic Practice Exercise 4 - Chapman	30 minutes
	Summary & Review Changes to Tax Law, TaxWise® 2006 Updates, Common Errors, Questions	30 minutes

Intermediate Course

Day 1	Topic	Suggested Teaching Times
	Welcome & Introductions	15 minutes
	Administrative	
	e-file Background	15 minutes
	Introduction to TaxWise®	
	Enter Intermediate Comprehensive Problem B (ICP B) - Yale and input entity data	15 minutes
	Module 1	
	Lesson 1 Getting Started	45 minutes
	Open ICP B and input exemptions and dependents	15 minutes
	Break	15 minutes
	Lesson 2 Filing Status	45 minutes
	Open ICP B and input filing status	15 minutes
	Lesson 2 Filing Requirements	15 minutes
	Module 2	
	Lesson 3 Wages	30 minutes
	Open ICP B and input Forms W-2	15 minutes
	Lunch	45 minutes
	Lesson 3 Interest and Dividends	30 minutes
	Open ICP B and input interest income	15 minutes
	Lesson 3 Unemployment Compensation	15 minutes
	Lesson 3 Gambling Winnings	15 minutes
	Break	15 minutes
	Module 3	
	Lesson 3 Self Employment	30 minutes
	Open ICP B and input 1099 MISC	30 minutes
	Intermediate Practice Exercise 5 - Rice	30 minutes

Intermediate Course

Day 2	Topic	Suggested Teaching Times
	Module 4	
	Lesson 11 Pensions—IRA Distribution	30 minutes
	Open ICP B and input 1099 R	30 minutes
	Lesson 11 Pensions—Pensions and Annuities	30 minutes
	Open ICP B and input 1099 R	30 minutes
	Break	15 minutes
	Lesson 11 Pensions—Social Security Benefits	15 minutes
	Open ICP B and input SSA 1099 R	15 minutes
	Module 5	
	Lesson 10 Adjustments Student Loan Interest, Tuition and Alimony Paid Deductions	30 minutes
	Lunch	45 minutes
	Lesson 10 Adjustments IRA Deductions	30 minutes
	Open ICP B and input Educator Expense, IRA Deduction, and Student Loan Interest	30 minutes
	Lesson 4 Deductions & Tax Compensation	30 minutes
	Open ICP B and input Itemized Deductions	30 minutes
	Break	15 minutes
	Lesson 5 Earned Income Credit	1 hour
	Complete Intermediate Supplemental Exercise (ISE) 2 - Hood	30

Intermediate Course

Day 3	Topic	Suggested Teaching Times
	Module 6	
	Lesson 6 Child Tax Credit	15 minutes
	Open ICP B and discuss the automatic calculation for CTC	15 minutes
	Lesson 7 Child and Dependent Care	30 minutes
	Open ICP B and input Child and Dependent Care Information	15 minutes
	Lesson 8 Education Credit	30 minutes
	Open ICP B and input Education Credit Information	
	Break	15 minutes
	Lesson 9 Miscellaneous Credits	30 minutes
	Open ICP B and complete F 8880	
	Module 7	
	Lesson 14 Finishing the Return	15 minutes
	Discuss Diagnostic, Printing, Signing	
	Intermediate Practice Exercise 6—Austin	30 minutes
	Intermediate Practice Exercise 7—Ellsworth	30 minutes
	Intermediate Practice Exercise 8—Highland	30 minutes
	Summary & Review Changes to Tax Law, TaxWise® 2006 Updates, Common Errors, Questions	30 minutes

Advanced Course

Day 1	Topic	Suggested Teaching Times
	Welcome & Introductions	15 minutes
	Administrative	
	e-file Background	15 minutes
	Introduction to TaxWise	
	Enter Advanced Comprehensive Problem C (ACP C) and input entity data	15 minutes
	Module 1	
	Lesson 1 Getting Started	45 minutes
	Open ACP C and input exemptions and dependents	15 minutes
	Break	15 minutes
	Lesson 2 Filing Status	45 minutes
	Open ACP C and input filing status	15 minutes
	Lesson 2 Filing Requirements	15 minutes
	Module 2	
	Lesson 3 Wages	30 minutes
	Open ACP C and input Form W-2	15 minutes
	Lunch	45 minutes
	Lesson 3 Interest	30 minutes
	Open ACP C and input interest income	15 minutes
	Lesson 3 Dividends	30 minutes
	Open ACP C and input dividend income	15 minutes
	Break	15 minutes
	Basic Practice Exercise 1 Madison	30 minutes
	Basic Practice Exercise 4 Chapman	30 minutes
	Using Exercise 4, get the red out, run diagnostics, create e-file, print	30 minutes

Notes:

After teaching basic tax law on wages, interest, and dividends you may find it easier to wrap up each of the subjects with TaxWise® open to the applicable TaxWise® forms. New volunteers may find this less confusing.

Depending on the experience level of the students, you may need to shift the individual exercises to Day 2. Inexperienced volunteers need as much time as possible to walk through TaxWise® and input the data for the comprehensive training exercise.

Advanced Course

Day 2	Topic	Suggested Teaching Times
	Module 3	
	Lesson 3 Tax Refund and Alimony	15 minutes
	Open ACP C and input Form 1099-G and alimony	15 minutes
	Lesson 3 Self Employment	30 minutes
	Open ACP C and input Form 1099 MISC	30 minutes
	Complete Advanced Supplemental Exercise (ASE) 3-1	15 minutes
	Break	15 minutes
	Module 4	
	Lesson 12 Sale of Stock	45 minutes
	Open ACP C and input stock transactions	30 minutes
	Lesson 13 Sale of Home	15 minutes
	Lunch	45 minutes
	Complete Advanced Supplemental Exercise 3-2	30 minutes
	Module 5	
	Lesson 11 IRA Distributions	30 minutes
	Open ACP C and input Form 1099-R for IRA distribution	15 minutes
	Lesson 11 Pensions and Annuities	30 minutes
	Open ACP C and input Form 1099-R for pensions	30 minutes
	Lesson 3 Unemployment Compensation	15 minutes
	Open ACP C and input Form 1099-G	15 minutes
	Complete ASE 3-3	15 minutes
	Complete ASE 3-4	15 minutes

Notes:

After teaching basic tax law on self-employment, sale of stock, IRA distributions and pensions, you may find it easier to wrap up each of the subjects with TaxWise® open to the applicable TaxWise® forms. New volunteers may find this less confusing.

Depending on the experience level of the students, you may need to make optional Exercise 4 and Exercise 5. These exercises can be used as homework.

Advanced Course

Day 3	Topic	Suggested Teaching Times
	Lesson 11 Social Security Benefits	15 minutes
	Open ACP C and input form SSA-1099	15 Minutes
	Lesson 3 Other Income	15 minutes
	Open ACP C and input Form W-2G	15 minutes
	Intermediate Practice Exercise 6—Austin	30 minutes
	Break	15 minutes
	Module 6	
	Lesson 10 Adjustments – IRA Deductions	30 minutes
	Open ACP C and input the traditional IRA deduction	15 minutes
	Lesson 10 Adjustments - Student Loan Interest, Tuition and Alimony Paid Deductions	30 minutes
	Open ICP B and input Educator Expense, IRA Deduction, Student Loan Interest, and Alimony paid	30 minutes
	Complete Advance Student Practice Exercise 7	30 minutes
	Complete ASE 3-5	15 minutes
	Lunch	45 minutes
	Module 7	
	Lesson 4 Deductions & Tax Compensation	30 minutes
	Open ACP C and input Itemized Deductions	30 minutes
	Advanced Practice Exercise 9 - McCook	30 minutes
	Break	15 minutes
	Module 8	
	Lesson 9 Miscellaneous Tax Credits	30 minutes
	Discuss the effect of these tax credits on TaxWise®	
	Lesson 7 Child and Dependent Care Expenses	30 minutes
	Open ACP C and input daycare expenses	
	Lesson 8 Education Credit	30 minutes
	Open ACP C and input the tuition expenses	
	Lesson 6 Child Tax Credit	15 minutes
	Discuss the automatic calculation for CTC	15 minutes
	Complete ASE 3-6	15 minutes

Notes:

Teaching times for the optional exercises are shown in parentheses. These times are not figured into the total teaching time for the day. Depending on the experience level of your volunteers you may not be able to complete these exercises. However, you may want to assign them as homework.

After teaching basic tax law on social security benefits, the adjustments to income and the nonrefundable credits, you may find it easier to wrap up each of the subjects with TaxWise® open to the applicable TaxWise® forms. New volunteers may find this less confusing.

Advanced Course

Day 4	Topic	Suggested Teaching Times
	Module 9	
	Lesson 5 Earned Income Credit	1 hour
	Complete BSE 2 - Hood	45 minutes
	Complete Advance Practice Exercise 10 - Reed	30 minutes
	Break	15 minutes
	Module 10	
	Lesson 14 Finishing the Return	45 minutes
	Open ACP C, add Estimated Tax Payments and finish return	30 minutes
	Discuss Diagnostic, Printing, Signing	30 minutes
	Lunch	45 minutes
	Sign return using Self Select PIN	15 minutes
	Optional ASE 4	(15 minutes)
	Optional ASE 5	(15 minutes)
	Summary & Review Changes to Tax Law, TaxWise 2006 Updates, Common Errors, Questions	30 minutes
	Break	15 minutes
	Advanced Student Exercise 11 - Rosemont	30 minutes
	Advanced Student Exercise 12 - Sterling	30 minutes

Notes:

Teaching times for the optional exercises are shown in parentheses. These times are not figured into the total teaching time for the day. Depending on the experience level of your volunteers you may not be able to complete these exercises. However, you may want to assign them as homework.

Exercise 11 and Exercise 12 are comprehensive exercises. Students should use these exercises to practice and hone their skills in completing tax returns using tax preparation software.

Day 5	Topic	Suggested Teaching Times
	Welcome returning experienced volunteers	15 minutes
	Summary and review of tax law and TaxWise, common errors, and questions.	45 minutes
	Break	15 minutes
	State Returns	2 hours
	Lunch	45 minutes
	Optional review Test/ Complete any remaining exercises and/or practice	(2 hours)

Notes:

Day 5 is an optional day for returning volunteers and to teach any specific state tax issues.

Military Course

Volunteers completing the Military Course will follow the Advanced Course schedule through Day 4. The schedule for Day 5 is shown below.

Day 5	Topic	Suggested Teaching Times
	Complete Military Comprehensive Problem D	1 hour
	Break	15 minutes
	Complete Practice Exercises 13 - 16	90 minutes
	Lunch	45 minutes
	State Return	2 hours
	Optional: Review Test/Complete any remaining exercises and/or practice	90 minutes

International Course

Volunteers completing the International Course will follow the Advanced Course schedule through Day 4. The schedule for Day 5 is shown below.

Day 5	Topic	Suggested Teaching Times
	Complete Military Comprehensive Problem D and International Comprehensive Problem E	2 hours
	Break	15 minutes
	Complete Practice Exercises 13 - 16	90 minutes
	Lunch	45 minutes
	State Return	2 hours
	Optional: Review Test/Complete any remaining exercises and/or practice	90 minutes

Exhibit 3—Class Schedules—Traditional Training

Basic Course

Day 1

9:00	Welcome, Introduction and Administrative Guidelines
10:00	Break
10:15	Lesson 1 – Getting Started
10:45	Lesson 2 – Filing Status and Filing Requirement
11:15	Break
11:25	Lesson 3 – Income
12:00	Lunch
1:00	Lesson 3 – Income continued
1:30	Lesson 4 – Deductions and Tax Computations
2:00	Break
2:15	Lesson 5 – Earned Income Credit
4:15	Review and Questions
4:30	Class Dismissed

Day 2

9:00	Lesson 6 – Child Tax Credit
10:00	Break
10:15	Lesson 7 – Child and Dependent Care Credit
11:15	Lesson 8 – Education Credits
12:00	Lunch
1:00	Lesson 9 – Miscellaneous Credits
1:30	Lesson 14 – Finishing the Return
2:30	Break
2:45	State and Local Tax Presentation (Optional)
4:15	Class wrap-up (See Note below)

Notes:
Have the students complete the Basic Comprehensive Problem in Publication 678-W and discuss their results.

Intermediate Course

Day 1

9:00	Welcome, Introductions and Administrative Guidelines
10:00	Break
10:15	Lesson 1 – Getting Started
10:45	Lesson 2 – Filing Status and Filing Requirements
11:15	Break
11:25	Lesson 3 – Income
Noon	Lunch
1:00	Lesson 3 – Income continued
2:00	Break
2:15	Lesson 4 – Deductions and Tax Computations
3:15	Break
3:25	Lesson 5 – Earned Income Credit
4:15	Wrap up and Review
4:30	Class dismiss

Day 2

9:00	Lesson 5 – Earned Income Credit continues
10:00	Break
10:15	Lesson 6 – Child Tax Credit
11:15	Break
11:25	Lesson 7 – Child and Dependent Care Credit
Noon	Lunch
1:00	Lesson 7 – Child and Dependent Care Credit continued
1:30	Lesson 8 – Education Credits
2:30	Break
2:45	Lesson 9 – Miscellaneous Credits
3:15	Break
3:25	Lesson 10 – Adjustments to Income
4:15	Wrap up and Review
4:30	Class dismiss

Day 3

9:00	Lesson 11 – Pensions
10:00	Break
10:15	Lesson 14 – Finishing the Return
11:15	Wrap Up and Review (See Note below)
Noon	Lunch
1:00	State and Local Tax Presentation (Optional)
2:30	Class Dismiss

Notes:

Have the students complete the Intermediate Comprehensive Problem in Publication 678-W and discuss their results.

Advanced Course

Day 1

9:00	Welcome, Introductions and Administrative Guidelines
10:00	Break
10:15	Lesson 1 – Getting Started
10:45	Lesson 2 – Filing Status and Filing Requirements
11:15	Break
11:25	Lesson 3 – Income
Noon	Lunch
1:00	Lesson 3 – Income continued
2:00	Break
2:15	Lesson 3 – Income continued
2:45	Lesson 4 – Deductions and Tax Computations
3:45	Lesson 5 – Earned Income Credit
4:15	Wrap up and Review
4:30	Class dismiss

Day 2

9:00	Lesson 5 – Earned Income Credit continued
10:00	Break
10:15	Lesson 6 – Child Tax Credit
11:15	Break
11:25	Lesson 7 – Child and Dependent Care Credit
12:00	Lunch
1:00	Lesson 7 – Child and Dependent Care Credit continued
1:30	Lesson 8 – Education Credits
2:30	Break
2:45	Lesson 9 – Miscellaneous Credits
3:15	Lesson 10 – Adjustments to Income
4:15	Wrap up and Review
4:30	Class dismiss

Day 3

9:00	Lesson 11 – Pensions
10:00	Break
10:15	Lesson 11 – Pensions continued
11:15	Lesson 12 – Sale of Stock
Noon	Lunch
1:00	Lesson 12 – Sale of Stock continued
2:00	Break
2:15	Lesson 13 – Sale of Home
2:45	Break
2:50	Lesson 14 – Finishing the Return
4:00	Wrap up and Review (See NOTE below)
4:30	Class dismiss

Notes:

Have the students complete the applicable Advanced Comprehensive Problem in Publication 678-W and discuss their results.

Military and International Courses

Day 1

9:00	Welcome, Introductions and Administrative Guidelines
10:00	Break
10:15	Lesson 1 – Getting Started
10:45	Lesson 2 – Filing Status and Filing Requirements
11:15	Break
11:25	Lesson 3 – Income
Noon	Lunch
1:00	Lesson 3 – Income continued
2:00	Break
2:15	Lesson 3 – Income continued
2:45	Lesson 4 – Deductions and Tax Computations
3:45	Lesson 5 – Earned Income Credit
4:15	Wrap up and Review
4:30	Class dismiss

Day 2

9:00	Lesson 5 – Earned Income Credit continued
10:00	Break
10:15	Lesson 6 – Child Tax Credit
11:15	Break
11:25	Lesson 7 – Child and Dependent Care Credit
12:00	Lunch
1:00	Lesson 7 – Child and Dependent Care Credit continued
1:30	Lesson 8 – Education Credits
2:30	Break
2:45	Lesson 9 – Miscellaneous Credits
3:15	Lesson 10 – Adjustments to Income
4:15	Wrap up and Review
4:30	Class dismiss

Day 3

9:00	Lesson 11 – Pensions
10:00	Break
10:15	Lesson 11 – Pensions continued
11:15	Lesson 12 – Sale of Stock
Noon	Lunch
1:00	Lesson 12 – Sale of Stock continued
2:00	Break
2:15	Lesson 13 – Sale of Home
2:45	Break
2:50	Lesson 14 – Finishing the Return
4:00	Wrap up and Review (See NOTE below)
4:30	Class dismiss

Notes:

Have the students complete the applicable Military or International Comprehensive Problem in Publication 678-W and discuss their results.

Exhibit 4: i
VITA/TCE Class Numbers

SPEC Officei	Class Numberi	SPEC Officei	Class Numberi
Area 1 Greensboro North Carolinai			
Albany NYS	WI-2007-14S	Baltimore MDS	WI-2007-15S
Boston MAS	WI-2007-16S	Buffalo NYS	WI-2007-17S
Burlington VTS	WI-2007-18S	Charleston WVS	WI-2007-19S
Charlotte NCS	WI-2007-20S	Columbia SCS	WI-2007-21S
Greensboro NCS	WI-2007-22S	Hartford CTS	WI-2007-23S
Manchester NHS	WI-2007-24S	Newark NJS	WI-2007-25S
New York City NYS	WI-2007-26S	Norfolk VAS	WI-2007-27S
Philadelphia PAS	WI-2007-28S	Pittsburgh PAS	WI-2007-29S
Portland MES	WI-2007-30S	Providence RIS	WI-2007-31S
Raleigh NCS	WI-2007-32S	Richmond VAS	WI-2007-33S
Washington DCS	WI-2007-34S	Wilmington DES	WI-2007-35S
Area 2 Indianapolis Indianai			
Atlanta GAS	WI-2007-36S	Chicago IL S	WI-2007-37S
Cincinnati OH S	WI-2007-38S	Cleveland OH S	WI-2007-39S
Columbus OH S	WI-2007-41S	Detroit MI S	WI-2007-42S
Guaynabo PR S	WI-2007-44S	Indianapolis IN S	WI-2007-58S
Jacksonville FL S	WI-2007-60S	Louisville KYS	WI-2007-62S
Maitland FL S	WI-2007-63S	Memphis TN S	WI-2007-64S
Miami FL S	WI-2007-65S	Milwaukee WI S	WI-2007-66S
Nashville TN S	WI-2007-67S	Panama City FLS	WI-2007-68S
Plantation FL S	WI-2007-69S	Tampa FL S	WI-2007-70S
W Palm Beach FL S	WI-2007-71S		
Area 3 Dallas Texasi			
Austin TX S	WI-2007-72S	Birmingham AL S	WI-2007-73S
Dallas TX S	WI-2007-74S	Des Moines IAS	WI-2007-75S
El Paso TX S	WI-2007-76S	Fargo ND S	WI-2007-77S
Houston TX S	WI-2007-78S	Jackson MS S	WI-2007-79S
Kansas City MO S	WI-2007-80S	Little Rock ARS	WI-2007-81S
Lubbock TX S	WI-2007-82S	New Orleans LA S	WI-2007-83S
Oklahoma City OK S	WI-2007-84S	Omaha NE S	WI-2007-85
San Antonio TX S	WI-2007-86	Sioux Falls ND S	WI-2007-87S
t. Louis MO S	WI-2007-88	St. Paul MN S	WI-2007-89S
Wichita KS S	WI-2007-90S		
Area 4 Phoenix Arizonai			
Albuquerque NM S	WI-2007-92S	Anchorage AK S	WI-2007-93S
Boise ID S	WI-2007-94S	Cheyenne ND S	WI-2007-95S
Denver CO S	WI-2007-96S	Helena MTS	WI-2007-97S
Honolulu HI S	WI-2007-98S	Las Vegas NV S	WI-2007-99S
Los Angeles CA S	WI-2007-100S	Phoenix AZ S	WI-2007-101S
Portland OR S	WI-2007-102	Sacramento CA S	WI-2007-103
Salt Lake City UT S	WI-2007-104	San Diego CA	WI-2007-105S
an Francisco CA S	WI-2007-106	San Jose CA S	WI-2007-107
Seattle WA S	WI-2007-108S		
Otheri			
Overseas VITAS	WI-2007-109S		

Exhibit 5: i M-VITA Class Numbers i

SPEC Officep	Class Numberp	SPEC Officep	Class Numberp
Area 1 Greensboro North Carolinap			
Albany NYT	WI-2007-9T	Baltimore MDT	WI-2007-10T
Boston MAT	WI-2007-11T	Buffalo NYT	WI-2007-12T
Burlington VT	WI-2007-13T	Charleston WVT	WI-2007-40T
Charlotte NCT	WI-2007-43T	Columbia SCT	WI-2007-45T
Greensboro NCT	WI-2007-46T	Hartford CT	WI-2007-47T
Manchester NHT	WI-2007-48T	Newark NJT	WI-2007-49T
New York City NYT	WI-2007-50T	Norfolk VAT	WI-2007-51T
Philadelphia PAT	WI-2007-52T	Pittsburgh PAT	WI-2007-53T
Portland MET	WI-2007-54T	Providence RIT	WI-2007-55T
Raleigh NCT	WI-2007-56T	Richmond VAT	WI-2007-57T
Washington DCT	WI-2007-59T	Wilmington DET	WI-2007-61T
Area 2 Indianapolis Indianap			
Atlanta GAT	WI-2007-110T	Chicago IL T	WI-2007-111T
Cincinnati OH T	WI-2007-112T	Cleveland OH T	WI-2007-113T
Columbus OH T	WI-2007-114T	Detroit MI T	WI-2007-115T
Guaynabo PR T	WI-2007-116T	Indianapolis IN T	WI-2007-117T
Jacksonville FL T	WI-2007-118T	Louisville KYT	WI-2007-119T
Maitland FL T	WI-2007-120T	Memphis TN T	WI-2007-121T
Miami FL T	WI-2007-122T	Milwaukee WI T	WI-2007-123T
Nashville TN T	WI-2007-124T	Panama City FLT	WI-2007-125T
Plantation FL T	WI-2007-126T	ampa FL T	WI-2007-127T
W Palm Beach FL T	WI-2007-128T		
Area 3 Dallas Texasp			
Austin TX T	WI-2007-129T	Birmingham AL T	WI-2007-130T
Dallas TX T	WI-2007-131T	Des Moines IAT	WI-2007-132T
El Paso TX T	WI-2007-133T	Fargo ND T	WI-2007-134T
Houston TX T	WI-2007-135T	Jackson MS T	WI-2007-136T
Kansas City MO T	WI-2007-137T	Little Rock ART	WI-2007-138T
Lubbock TX T	WI-2007-139T	New Orleans LA T	WI-2007-140T
Oklahoma City OK T	WI-2007-141T	Omaha NE T	WI-2007-142T
San Antonio TX T	WI-2007-143T	Sioux Falls ND T	WI-2007-144T
St. Louis MO T	WI-2007-145T	St. Paul MN T	WI-2007-146T
Wichita KS T	WI-2007-147T		
Area 4 Phoenix Arizonap			
Albuquerque NM T	WI-2007-148T	Anchorage AK T	WI-2007-149T
Boise ID T	WI-2007-150T	Cheyenne ND T	WI-2007-151T
Denver CO T	WI-2007-152T	Helena MT	WI-2007-153T
Honolulu HI T	WI-2007-154T	Las Vegas NV T	WI-2007-155T
Los Angeles CA T	WI-2007-156T	Phoenix AZ T	WI-2007-157T
Portland OR T	WI-2007-158T	Sacramento CA T	WI-2007-159T
Salt Lake City UT T	WI-2007-160T	San Diego CA T	WI-2007-161T
San Francisco CA T	WI-2007-162T	San Jose CA T	WI-2007-163T
Seattle WA T	WI-2007-164T		
Otherp			
Overseas MilitaryT	WI-2007-165T		

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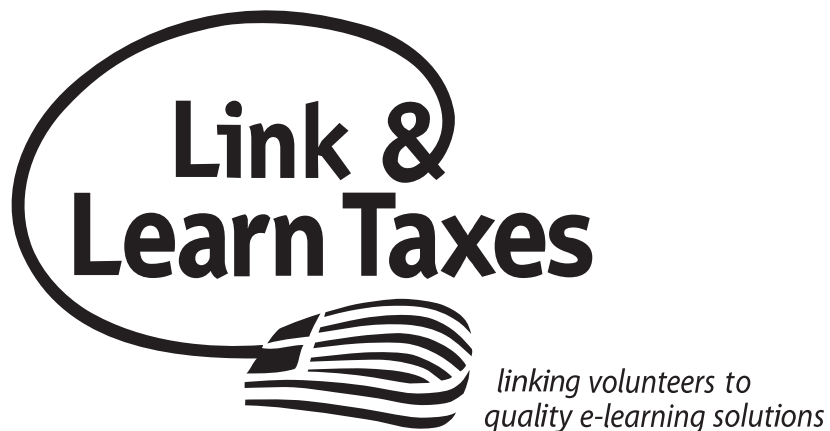


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